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JUSTIN M. KAYAL
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Admitted in New York. Not admitted in Connecticut.
January 4, 2008

VIA E-MAIL TO MASCHEN@LAWABEL.COM
CONFIRMATION VIA UPS

Michael Aschen, Esq.
Abelman, Frayne & Schwab
666 Third Avenue
New York, NY 10017-5612

Re: Gerson & Gerson & Grand Knitting Mills, Inc.
Client-Matter No. 406989.115640

Dear Mr. Aschen:

I am an attorney working with Marc Lieberstein on the referenced matter. Pursuant to Federal Rule of Civil Procedure 68, this letter serves as written notice that our client, Gerson & Gerson, Inc., accepts the Offer of Judgment attached to your letter of January 3, 2008 addressed to Mr. Lieberstein. Upon your filing of the Offer of Judgment and this notice of acceptance, please provide proof of filing along with payment of the funds, as soon as possible. The check should be made payable to "Gerson & Gerson."

Please contact me with any questions you may have. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Just M. Kayal". Below the signature, the name "Justin M. Kayal" is printed in a smaller, sans-serif font.

cc: Marc A. Lieberstein, Esq. (i/o)
Barry M. Benjamin, Esq. (i/o)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

GERSON & GERSON, INC.,
a New York Corporation,

Plaintiff,

-against-

GRAND KNITTING MILLS, INC.,
a New York Corporation, and
BLUEBERRY BLVD., LLC,
a New York Limited Liability Co.,

Defendants.

07 Civ. 9802 (LAP)

OFFER OF JUDGMENT

To: Marc A. Lieberstein, Esq.
Day Pitney LLP
7 Times Square
Times Square Tower
New York, NY 10036

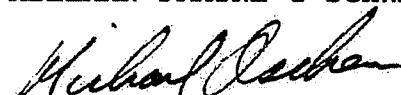
Counsel for Plaintiff

Pursuant to Rule 68 of the Federal Rules of Civil Procedure, defendants hereby offer to allow judgment to be taken against them in this action in the amount of twelve thousand five hundred dollars (\$12,500), including costs accrued to date. The defendants' further consent to entry of the permanent injunction against their future sales of the accused pattern.

This offer of judgment is made for the purposes specified in Rule 68, and is not to be construed as an admission of plaintiff's allegations, that defendants are liable in this action, or that plaintiff has suffered any damage.

Dated: New York, NY
January 3, 2008

ABELMAN FRAYNE & SCHWAB



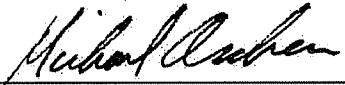
Michael Aschen (6336)
666 Third Avenue
New York, New York 10017
(212) 949-9022
maschen@lawabel.com

Counsel for the Defendants

CERTIFICATE OF SERVICE

It is hereby certified that a true copy of the foregoing Offer of Judgment was this 3rd day of January, 2008, served by email and first class mail upon the following:

Marc A. Lieberstein, Esq.
Day Pitney LLP
7 Times Square
Times Square Tower
New York, NY 10036


Michael J. Lieberstein